



CITY OF HAYWARD

AGENDA REPORT

AGENDA DATE 02/15/00

AGENDA ITEM 4

WORK SESSION ITEM

TO: Mayor and City Council
Redevelopment Agency Board

FROM: Director of Community and Economic Development

SUBJECT: Approval of Survey Area and Selection of Consultant Team for Mission-Foothill Boulevard Corridor Redevelopment Project Analysis

RECOMMENDATION:

1. That the City Council approve the proposed Amended Redevelopment Survey Area.
2. That the Redevelopment Agency Board authorize the Agency's Executive Director to execute a contract with GRC Redevelopment Consultants, Inc., to prepare necessary documentation for the proposed redevelopment area.

BACKGROUND:

As part of the FY 1999-2000 budget the Redevelopment Agency Board allocated funds to investigate the feasibility of establishing a redevelopment project area along Mission and Foothill Boulevards. The major goals for the area are to facilitate transit-oriented development along the corridor, to improve the viability of the automobile sales dealerships and other businesses along the corridor, and to enhance entryways to the Hayward community. The City Council reviewed the proposed boundaries in a work session on November 16, 1999 and the City's Economic Development Committee discussed the proposed area at its December meeting.

PROPOSED SURVEY AREA:

Attached is a map of the Survey Area to be analyzed for the blighting factors that are necessary in order to qualify the area for redevelopment designation. The recommended Survey Area includes those portions of Mission and Foothill Boulevards that are not already part of the Downtown Hayward Redevelopment Project Area. Commercial and selected residential parcels adjacent to the boulevards were included to permit a thorough examination of existing conditions. The Survey Area is deliberately larger than the area that may ultimately be designated. By law, the final boundaries of a designated project area must be contained within the boundaries of the approved Survey Area. After study, Survey Area parcels that are not eligible for redevelopment designation can be deleted. Designation of the Survey Area does

not by itself have any legal impact on properties located within the Survey Area. In addition, the establishment of this Survey Area is a planning study that is exempt from CEQA.

The Survey Area incorporates over 700 net acres, including two areas that are currently in unincorporated Alameda County. One of these areas is along Foothill Boulevard between the city limits and Mattox Road. The second area is the La Vista Quarry, east of the Mission Boulevard/Tennyson Road intersection. Annexation of the Foothill area would be required prior to adoption of a project area. Foothill is a northern gateway to the City, and the use of redevelopment resources in tandem with land use controls could assist in projecting a positive image of the City. It is also prudent to begin planning for the reuse of the Quarry when it ceases operation. The proposed Survey Area boundaries shown on the attached map remain largely unchanged from the boundaries the City Council considered at its November work session. Minor changes have been made in order to respect existing parcel lines, and in the case of the Quarry to allow for access to the property.

Staff recommends that the Survey Area be treated as a proposed amendment to the existing Project Area. One major advantage to amending the existing Redevelopment Plan is that land use considerations and projects affecting the entire Foothill-Mission corridor can be more easily coordinated within the framework of one project area. Another major advantage is that an amendment would allow for the potential to share tax increment revenues and to secure lower cost financing which would benefit the whole Project Area. A physically larger project area that contains a greater diversity of land use patterns typically results in a lower cost of funds to the Agency on future tax allocation bonds. Finally, it is easier to administer one project area.

The primary disadvantage of amending a redevelopment plan is that the neighborhoods in the area to be added may have different concerns and goals from the existing redevelopment area, and the public participation process could become divisive. If the Agency Board decides to amend the existing Project Area, the composition of the Hayward Redevelopment Area Committee (HRAC) would need to be modified in order to add representatives from the new Survey Area. Staff would also recommend that at least two sub-committees of the HRAC be designated: one for the existing Project Area and the Northern Foothill Boulevard corridor, and a second for the area extending south from the "five corners" area at Mission and Jackson Boulevard. It may be advantageous to create additional sub-areas as long as the number of corresponding sub-committees do not become unduly complex to administer. State law gives the HRAC a significant role to play by requiring that it recommend "for" or "against" plan adoption/amendment to the City Council. The Council may override a negative recommendation by the HRAC with a two-thirds vote.

In addition, during the 1998 redevelopment plan amendment process the public expressed a desire to maintain separate accounting of the revenues and expenditures accruing to each area, so that over time each area would receive funding equivalent to the revenue that it generates. This policy was recommended by the HRAC and incorporated into the Plan Amendment; and staff would propose that the same provision be incorporated into the current proposed amendment.

CONTRACT WITH GRC REDEVELOPMENT CONSULTANTS:

A "Request for Proposals" was issued to a number of redevelopment consultants subsequent to the November work session. Four proposals were received in late December, and interviews were conducted with all four teams in mid-January. The four consultant teams that submitted proposals included the following:

1. Seifel and Associates
2. Katz Hollis
3. GRC Redevelopment Consultants, Inc.
4. Urban Futures, Inc./Piper Jaffray

Of the four teams, two are considered equally highly qualified: GRC and Seifel and Associates. In the panel's judgement, GRC will provide the needed professional services to supplement and complement those of Agency staff to complete the analysis, planning and public participation components of the process. In particular, the panel was impressed with GRC's ability to inform and engage residents, property owners and business owners in the affected communities. GRC proposes to use Lamphier Associates to prepare the necessary program environmental impact report for the plan. Lamphier is a WBE firm. Completion of the scope of work proposed by the GRC team will cost approximately \$155,000. This is a significant price advantage when compared to the fees requested by Seifel and Associates, and is within the \$250,000 amount allocated in the Agency's 1999-2000 budget for the project.

The GRC team is currently providing similar redevelopment planning services to Alameda County for its proposed Eden Area Redevelopment Plan—portions of which include the same unincorporated area that is at the north end of Foothill in the proposed Survey Area. Timing for completion of GRC's work on the county assignment is not planned to overlap far into the fourteen month timetable expected to be utilized for the Mission-Foothill effort, and it is expected that the annexation issue will be resolved during the initial feasibility study phase of GRC's work with the City of Hayward. Moreover, because of GRC's familiarity with the County's redevelopment goals, they will bring an understanding of the issues that are of common concern to both the City and County and may be able to suggest ways of integrating the goals and plans of both jurisdictions.

The survey and designation process for redevelopment areas is a major undertaking. The timetable for the Mission-Foothill Corridor projects a total of fourteen months for completion of all the legally required documentation, community input and official reviews. The first work product from the consultants will be a Feasibility Study that documents the presence of blighting physical and economic conditions. If the analysis show the Survey Area qualifies for designation, a Preliminary Plan would be prepared and presented to the Planning Commission and the City Council.

Staff recommends the City Council adopt the attached resolution that approves the boundaries of the proposed Amended Survey Area, as delineated in Exhibit A, for purposes of determining eligibility for possible designation as an amendment to the existing project area.

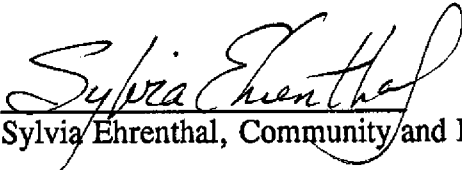
Staff also recommends the Agency Board adopt the attached resolution that authorizes the Agency's Executive Director to negotiate and execute a contract for professional services with the team led by GRC Redevelopment Consultants, Inc., in an amount not to exceed \$155,000.

Prepared by:



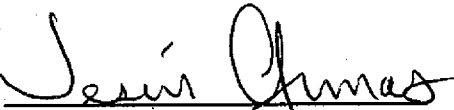
Maret Bartlett, Redevelopment Director

Recommended by:



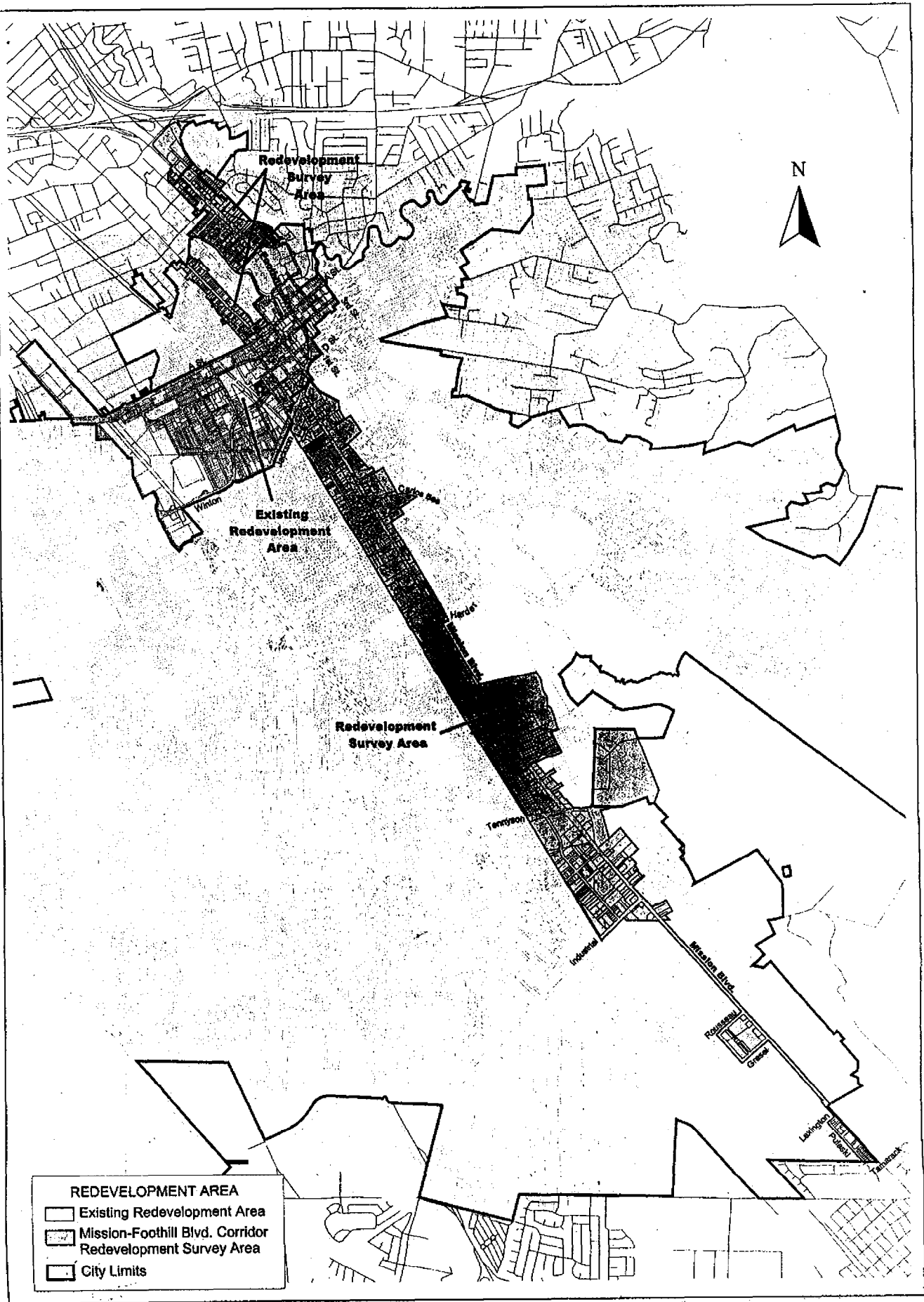
Sylvia Ehrenthal, Community and Economic Development Director

Approved by:



Jesús Armas, City Manager

Attachments: Exhibit A - Map of Proposed Redevelopment Survey Area
Resolutions



MISSION-FOOTHILL BLVD. CORRIDOR REDEVELOPMENT SURVEY AREA

EXHIBIT "A"

5000 0 5000 Feet

DRAFT

DM 1-31-00

HAYWARD CITY COUNCIL

RESOLUTION NO. _____

Introduced by Council Member _____

RESOLUTION AMENDING RESOLUTION NO. 75-267 TO ADD AN ADDITIONAL AREA TO THE REDEVELOPMENT SURVEY AREA AND DESCRIBING THE BOUNDARIES OF SAID REDEVELOPMENT SURVEY AREA

WHEREAS, the Community Redevelopment Law of the State of California, (Health and Safety Code Section 33000 et seq.) authorizes the designation and description by resolution of survey areas; and

WHEREAS, by Resolution No. 75-267, adopted on August 5, 1975, the City Council designated a redevelopment survey area, and determined that said area required study to determine if a redevelopment project or projects within the area were feasible; and

WHEREAS, the City Council subsequently adopted the Redevelopment Plan for the Downtown Hayward Redevelopment Area on December 30, 1975; and

WHEREAS, the City Council has determined that it is appropriate to add an additional area described in this resolution to the survey area pursuant to Health & Safety Code Section 33310 to determine if expansion of the Downtown Hayward Redevelopment Project Area or establishment of a new redevelopment project area is feasible; and

WHEREAS, the establishment and amendment of a survey area is exempt from the requirements of the California Environmental Quality Act;

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Hayward as follows:

1. The City Council hereby amends Resolution No. 75-267 to designate as an additional survey area, the area whose boundaries are designated in the "Description of the Added Area" attached hereto and incorporated as Exhibit A.
2. The City Council also finds that said survey area requires study to determine whether expansion of the Downtown Hayward Redevelopment Project or establishment of a new redevelopment project within said additional survey area is feasible.

BE IT ALSO RESOLVED by the City Council of the City of Hayward that all other provisions of Resolution No. 75-267, adopted on August 5, 1975, shall remain in full force and effect.

HAYWARD, CALIFORNIA _____, 2000

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

DRAFT

REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD

RESOLUTION NO. RA-____

Introduced by Agency Member _____

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE AN AGREEMENT FOR CONSULTANT SERVICES TO ASSIST STAFF WITH THE DOWNTOWN HAYWARD REDEVELOPMENT PLAN AMENDMENT PROCESS

BE IT RESOLVED by the Redevelopment Agency of the City of Hayward that the Executive Director is hereby authorized and directed to execute on behalf of the Redevelopment Agency an agreement for consultant services by and between the Redevelopment Agency of the City of Hayward and GRC Redevelopment Consultants, Inc., in an amount not to exceed \$155,000, in a form acceptable to the Executive Director upon consultation with the General Counsel.

HAYWARD, CALIFORNIA _____, 2000

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____

Secretary of the Redevelopment Agency
of the City of Hayward

APPROVED AS TO FORM:

General Counsel